

**SIDE LETTER AGREEMENT
BETWEEN
THE CITY OF SAN BRUNO
AND TEAMSTERS LOCAL 856
(SAN BRUNO PROFESSIONAL FIREFIGHTERS ASSOCIATION)**

Term: July 1, 2010 to June 30, 2012.

Salary: 2.3% general salary reduction equaling 72 hours of furlough for the term of the agreement. The total value of a 2.3% annual salary will be deducted from the employee's biweekly salaries beginning with the first full pay period in July 2010. The bargaining unit also agrees to withdraw its unfair labor practice charge against the City regarding furlough salary reduction.

Furlough Leave Bank: Each employee will receive 72 hours in a furlough leave bank accruing at a rate of 2.77 hours per pay period. The leave bank will be credited with 72 hours of furlough leave at the execution of the agreement. Use of the furlough bank leave hours accrued must be approved by the Staffing Officer. Use of the furlough leave bank time will not be approved in any situation where overtime would be incurred.

The furlough leave bank and any remaining accrued but unused hours will be eliminated effective June 30, 2015. The 72 hours cannot be cashed out and will not be compensated upon separation from the City.


Cross Staffing: The parties have discussed alternatives to achieve the savings that need to be realized in the Fire Department. Savings will be accomplished through a 2.3% general salary reduction equal to 72 hours of furlough. Therefore, the use of cross staffing has not been included as part of the approved 2010-11 budget. It is the City's intent to adhere to this budget plan.

Education Incentive: The parties have met to develop and update the list of certifications to be included as part of the education/certification incentive program. The effective date of the list will be at the date of ratification of the agreement by the bargaining unit and final approval of the City Council.

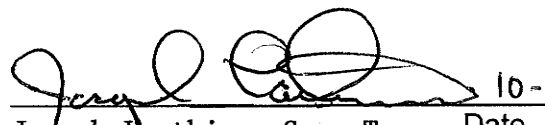
Health and Welfare: Members of the bargaining unit will cover the full cost of any medical premium increase effective October 1, 2010. The parties agree to reopen this section of the agreement in July 2011 for the purpose of determining how to cover the cost of the medical benefit premium increase. The parties acknowledge and anticipate that the City may continue to experience revenue shortfalls and likely will be unable to fund increased costs for employee salary and benefits.

Prevention Captain: The City acknowledges the value of the Fire Prevention Captain position to San Bruno's Fire Prevention program. The 2010-11 City Budget eliminates the position due strictly to revenue constraints. The City agrees to continue its representation of the value of the position in discussions of merger/consolidation as those may occur over the term of this agreement.

VEBA: The City will make available the VEBA plan for employees. The bargaining unit will vote separately to implement the program to its members. Participating employees will pay participant fees (currently \$7.50/month) and 0.1% of the individual account balance each quarter.


Connie Jackson
City Manager
City of San Bruno

Date


Joseph Lanthier, Sec.-Treas. Date
Teamsters, Local 856
San Bruno Professional Fire Fighters Association